

October 9, 2015

Victoria Wachino
Director
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
200 Independence Ave SW
Washington, DC 20201

Re: Washington State Medicaid Transformation 1115 Waiver

Dear Ms. Wachino,

On behalf of Association of Washington Business (AWB) and our nearly 8,400 employer members, we wish to provide comments on the Washington State Medicaid Transformation 1115 Waiver (Waiver). AWB is the premiere advocate in areas such as health care that impact our Washington businesses including ensuring access to affordable, quality, effective and timely care for all citizens through an essentially pluralistic, competitive, private sector deliver and purchasing system. We applaud the broad concept outlined by the Health Care Authority to develop innovative delivery mechanisms as well as providing cost containment in future Medicaid costs, however, the vague proposal on the role, governance, and accountability of the Accountable Communities of Health (ACH) along with the expanding definition of health care to include employment and housing, causes concern.

In evaluating the proposal of the Medicaid Transformation 1115 Waiver, the governance and responsibilities of the ACH's appear unclear. What is identified as a private/public partnership appears to create a subsection of the Health Care Authority on the regional level including managing the distribution of Federal funds and establishing standards to an industry that is reeling from the mandates of the Affordable Care Act. AWB has numerous health care members who have expressed frustration at the ever changing mandates and cost they are incurring. What is often considered to be a cost saving action by governing entities often results in nothing more than a cost shift to the patients, provider community or citizens.

While we understand and respect the premise that broader social determinants can impact an individual's health, the addition of housing and employment under health care at this time is daunting. We believe the focus should remain on already established health care targets such as diabetes, cardiovascular disease and pediatric obesity as opposed to broadening the definition which may result in tackling too much and succeeding in little.

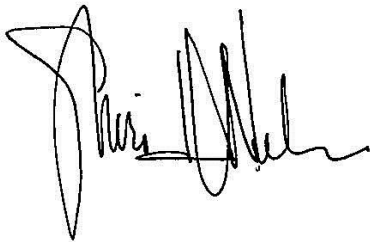
As mentioned above, AWB has concerns regarding the funding mechanism of the ACH's and the long term funding after the five year mark which includes an expectation that each ACH be financially self-sustainable. Given our experience with our state exchange program (private/public partnership) and their inability to function within their budget and to meet the self-sustaining mandate set by legislation, we have valid concerns on the viability for the ACH's to be developed enough to meet this expectation.

Simply stated, while the goals of the current Waiver proposal are commendable, the initiatives contained within the Waiver aren't detailed and developed enough to instill a significant level of confidence at this time.

AWB will continue to be engaged in our state's health care system and the developments that arise from the State Comprehensive Health Innovation Plan (SCHIP). AWB encourages CMS and the HCA to engage with the private health care sector and employers who will bear the burden of many of these proposals if not in a direct fashion, certainly in an indirect one.

AWB appreciates the opportunity to share our concerns on the Medicaid Transformation 1115 Waiver and believe there are improvements which can be made to provide better overall health for every resident of Washington state.

Regards,

A handwritten signature in black ink, appearing to read "Sheri Nelson", with a stylized, flowing script.

Sheri D. Nelson
Government Affairs Director